

2007 ANNUAL REPORT

**SAVAGE SERVICES CORPORATION
SAVAGE COAL TERMINAL
C/007/022**

File in:

☐ Confidential

☒ Shelf

☐ Expandable

Refer to Record No 0010 Date 07-28-08
In C/007/022, 2008, Incoming
For additional information

To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.

GENERAL INFORMATION

| | |
|--|---|
| Permitte Name | Savage Services Corporation |
| Mine Name | Savage Coal Terminal |
| Operator Name (If other then permittee) | |
| Permit Expiration Date | August 7, 2009 |
| Permit Number | C0070022 |
| Authorized Representative Title | Boyd Rhodes, Terminal Manager |
| Phone Number | 435 637-5664 |
| Fax Number | 435 637-3418 |
| E-mail Address | |
| Mailing Address | 6340 S. 3000 E., Suite 600, SLC, Utah 84121 |
| Designated Representative | Kelly Flint, Sr. Vice President |
| Resident Agent | Corporation Trust Company |
| Resident Agent Mailing Address | 1209 Orange Street, Wilmington, DE 19801 |
| Number of Binders Submitted | (2) 1- Salt Lake Office & 1- Price Field Office |

IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

| Permit Type | ID Number | Description | Expiration Date |
|-----------------------|----------------------|----------------|-----------------|
| MSHA Mine ID(s) | 42-01444 | Coal Loadout | N/A |
| | | | |
| | | | |
| MSHA Impoundment(s) | None | | |
| | | | |
| NPDES/UPDES Permit(s) | UTG-040005 | Pond 6 | 04-30-13 |
| | | | |
| PSD Permit(s) (Air) | DAQE-AN0117930007-08 | Approval order | N/A |
| | | | |
| Other | | | |
| | | | |
| | | | |
| | | | |
| | | | |

CERTIFIED REPORTS

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:**Required****Included or DOGM file location****Comments**

Yes No

Included

Vol, Chapter, Page

| | | | | | |
|--------------------|-------------------------------------|-------------------------------------|-------------------------------------|--|------------|
| Excess Spoil Piles | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | |
| Refuse Piles | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | Appendix A |
| Impoundments | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | Appendix A |
| Other | | | | | |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the MRP and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If the particular section is blank, no commitment has been identified and no response is required for this report. If a written response is required, it should be filed under Appendix B to this report.

| | |
|---|--|
| Admin R645-301-100 | |
| Soils R645-301-200 | |
| Biology R645-301-300 | |
| Has this commitment been acted on this year? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required for this year. <input type="checkbox"/> | Title: WILDLIFE AWARENESS PROGRAM Objective: To protect and enhance wildlife populations at or near the facilities. Frequency: As needed. Status: Ongoing. Reports: Annual. Citation: Volume 1, Section 3.4.5.2, page 3-49a. 1. Limiting Disturbance 2. Preventing hunting/harassment of wildlife. 3. Employee Awareness through staff meetings. |
| Has this commitment been acted on this year? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required for this year. <input checked="" type="checkbox"/> | Title: WILDLIFE MONITORING PROGRAM Objective: To evaluate the ongoing success of mitigation measures and ensure that TE and Sensitive. Species and habitats are not disturbed Frequency: As needed. Status: Ongoing. Reports: Annual. Citation: Volume 1, Section 3.4.5.3, page 3-50 |

Has this commitment
been acted on this year?

Yes ☐ No ☐

Not Required for this
year. ☒

Title: NOXIOUS WEED CONTROL

Objective: To control invasive species in and adjacent to the disturbed area.

Frequency: Annually.

Status: Annually.

Reports: Annual.

Citation: Volume 1, Section 3.4.5.4 or .5, page 3-62a.

Landuse, Cultural Resources, Air Quality R645-301- 400

Engineering R645-301-500

Geology R645-301-600

Hydrology R645-301-700

Has this commitment
been acted on this year?

Yes ☐ No ☐

Not Required for this
year. ☒

Title: ANALYSIS OF BASELINE PARAMETERS EVERY FIVE YEARS.

Objective: Periodic analysis for baseline parameters for long term impacts to surface and ground water.

Frequency: Once every five years.

Status: Ongoing.

Reports: Report as part of quarterly water monitoring.

Citation: Chapter 7, pp. 7-26 and 7-36.

Has this commitment
been acted on this year?

Yes ☐ No ☒

Not Required for this
year. ☒

NONE RETURNED.

Title: WASTE STREAM FROM PROCESSING PLANT.

Objective: Provide documentation of chemical characteristics of process waste returned to site through analysis of parameters described in App. 3-6 page 1.

Frequency: Sample every 5,000 tons returned to site.

Status: Ongoing.

Reports: Laboratory analysis sheets (not specified whether provided in annual report).

Citation: MRP Appendix 3-6.

Has this commitment
been acted on this year?

Yes ☐ No ☒

Not Required for this
year. ☒

NO STORAGE OVER
30 DAYS.

Title: IDENTIFICATION OF ACID/TOXIC PROPERTIES OF WASTE STREAM FROM SAVAGE PREPARATION PLANT STORED ON SITE LONGER THAN 30 DAYS.

Objective: Provide documentation of chemical characteristics of process waste generated on site through analysis of parameters as described in Tables 4 and 8 of the DRAFT 2005 Division Guidelines.

Frequency: Sample every 5,000 tons generated.

Status: Ongoing.

Reports: Laboratory analysis sheets provided quarterly and in Annual Report.

Citation: MRP Sec. 3.2.3.3.

Bonding & Insurance R645-301-800

Other Commitments

| | |
|--|--|
| | |
| | |

*Reminder: If equipment has been abandoned during 2007, an amendment must be submitted that includes a map showing its location, a description of what was abandoned, whether there were any hazardous or toxic materials and any revision to the PHC as necessary.

REPORTING OF OTHER TECHNICAL DATA

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as Appendix B to this report or currently on file with the Division.

1-Water Monitoring Data – On File with the Division.

LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

Change in administration or corporate structure can often bring about necessary changes to information found in the mining and reclamation plan. The Division is Requesting that each permittee review and update the legal, financial, compliance and related information in the plan as part of the annual report. Please provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other change as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include certified financial statements, audits or worksheets, which may be required to meet bonding requirements. Specify whether the information is currently on file with the Division or included as Appendix C to the report.

| Legal / Financial Update | Required | | Included or DOGM File location | | Comments |
|--------------------------|----------|----|--------------------------------|--------------------|----------|
| | Yes | No | Included | Vol, Chapter, Page | |

| | | | | | |
|--|-------------------------------------|--------------------------|-------------------------------------|--------------------------|------------|
| Department of Commerce, Annual Report Officers | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Appendix C |
| Other | | | | | |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |

MINE MAPS

Copies of mine maps, current and up-to-date through at least December 31, 2007, are to be provided to the Division as Appendix D to this report in accordance with the requirements of R 645-301-525.240. These map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Upon request, the Division shall keep mine maps confidential. Please provide a CD.

| Map Number(s) | Map Title/ Description | Confidential | |
|-----------------------|------------------------|--------------------------|--------------------------|
| | | Yes | No |
| Annual subsidence map | N/A | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> |

OTHER INFORMATION

Please provide any comments of further information to be included as part of the Annual Report. Any other attachments are to be provided as Appendix E to this report. If information is submitted as a group rather than by individual mine, please identify each of the mine's data in the list below.

Additional attachment to this report?Yes ☐No ☒

APPENDIX A

Certified Reports

Excess Spoil Piles
Refuse Piles
Impoundments

As required under R645-301-514

CONTENTS

REFUSE PILE INSPECTIONS

AND

ANNUAL IMPOUNDMENT INSPECTIONS

**SAVAGE COAL TERMINAL
REFUSE PILE INSPECTION REPORT**

MSHA SITE: *1211-UT-09-01444-01 QUARTER: 1/2007

| ITEM | REMARKS |
|---|---|
| (1) Potential Safety Hazards | None Noted. |
| (2) Slope Stability | Slopes appear stable. |
| (3) Removal of Topsoil/Organics. | N/A - No removal necessary. |
| (4) Construction and Maintenance Performance Standards. | Ditches - O.K. Pile partially removed from both ends and North side. |
| (5) Recommendations/Comments. | Sign - O.K. Regrading Top & North Slope. Berms O.K. Culvert Outlet Repaired. |

I have performed the above inspection on this refuse pile and do hereby certify it to be a true and accurate representation of the pile at this time.




(Signature)

03/27/2007
(Date)

SAVAGE COAL TERMINAL REFUSE PILE INSPECTION REPORT

MSHA SITE: *1211-UT-09-01444-01 QUARTER: 2/2007

| ITEM | REMARKS |
|---|---|
| (1) Potential Safety Hazards | None Noted. |
| (2) Slope Stability | Slopes appear stable. Regrading on North Side. |
| (3) Removal of Topsoil/Organics. | N/A - No removal necessary. |
| (4) Construction and Maintenance Performance Standards. | Ditches - O.K., except for regrading area. Drainage - O.K. |
| (5) Recommendations/Comments. | Sign - O.K. Regrading Top & North Slope. Berms O.K., except for regrading area. |

I have performed the above inspection on this refuse pile and do hereby certify it to be a true and accurate representation of the pile at this time.




(Signature)

06/05/07
(Date)

**SAVAGE COAL TERMINAL
REFUSE PILE INSPECTION REPORT**

MSHA SITE: *1211-UT-09-01444-01 QUARTER: 3/2007

| ITEM | REMARKS |
|---|---|
| (1) Potential Safety Hazards | None Noted. |
| (2) Slope Stability | Slopes appear stable. Regrading on North Side. |
| (3) Removal of Topsoil/Organics. | N/A - No removal necessary. |
| (4) Construction and Maintenance Performance Standards. | Ditches - O.K., except for regrading area. Drainage - Under Reconstruction. |
| (5) Recommendations/Comments. | Sign - O.K. Regrading Top & North Slope. Berms O.K., except for regrading area. |

I have performed the above inspection on this refuse pile and do hereby certify it to be a true and accurate representation of the pile at this time.




(Signature)

08/23/07
(Date)

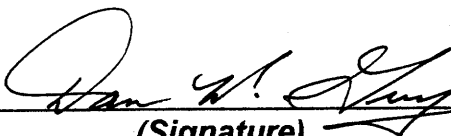
**SAVAGE COAL TERMINAL
REFUSE PILE INSPECTION REPORT**

MSHA SITE: *1211-UT-09-01444-01 QUARTER: 4/2007

| ITEM | REMARKS |
|---|--|
| (1) Potential Safety Hazards | None Noted. |
| (2) Slope Stability | Slopes appear stable. Regrading on North Side. |
| (3) Removal of Topsoil/Organics. | N/A - No removal necessary. |
| (4) Construction and Maintenance Performance Standards. | Ditches - O.K. Berms - Restored. |
| (5) Recommendations/Comments. | Sign - O.K. Top Regraded. Berms O.K. |

I have performed the above inspection on this refuse pile and do hereby certify it to be a true and accurate representation of the pile at this time.




(Signature)

12/13/07
(Date)

**SAVAGE SERVICES CORPORATION
2007 ANNUAL IMPOUNDMENT INSPECTION REPORT**

POND: Settling Pond #1 **LOCATION:** Savage Coal Terminal

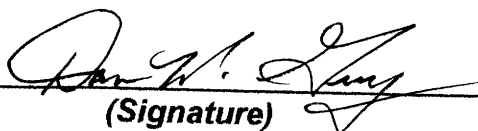
| IMPOUNDMENTS | |
|---------------------------------|-----------------------------|
| (1) Stability | Slopes Stable. Incised Pond |
| (2) Structural Weakness/Erosion | None Noted. |
| (3) Potential Safety Hazards | None Noted. |
| (4) Depth of Impounded Water | Dry |
| (5) Existing Storage Capacity | N/A |
| (6) Monitoring Procedures | Quarterly Inspection. |

| SEDIMENT PONDS ONLY | |
|--|-----|
| (7) Sediment Accumulation (Elevation) | N/A |
| (8) Sediment Cleanout Level (Elevation) | N/A |
| (9) Principle Spillway (Elevation) | N/A |
| (10) Emergency Spillway (Elevation) | N/A |
| (11) Existing Sediment Capacity (To Cleanout) | N/A |

| GENERAL | |
|-------------------------------|--|
| (12) Comments/Recommendations | Not a Sediment Pond. Constructed in October 2006. Cleaned June 2007. |

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/07
(Date)



**SAVAGE SERVICES CORPORATION
2007 ANNUAL IMPOUNDMENT INSPECTION REPORT**

POND: Settling Pond #2 **LOCATION:** Savage Coal Terminal

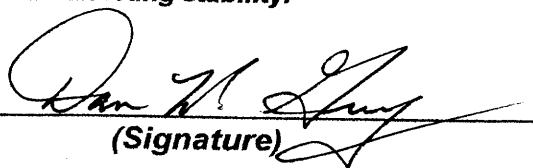
| IMPOUNDMENTS | |
|---------------------------------|-----------------------------|
| (1) Stability | Slopes Stable. Incised Pond |
| (2) Structural Weakness/Erosion | None Noted. |
| (3) Potential Safety Hazards | None Noted. |
| (4) Depth of Impounded Water | 1.0'. |
| (5) Existing Storage Capacity | N/A |
| (6) Monitoring Procedures | Quarterly Inspection. |

| SEDIMENT PONDS ONLY | |
|--|-----|
| (7) Sediment Accumulation (Elevation) | N/A |
| (8) Sediment Cleanout Level (Elevation) | N/A |
| (9) Principle Spillway (Elevation) | N/A |
| (10) Emergency Spillway (Elevation) | N/A |
| (11) Existing Sediment Capacity (To Cleanout) | N/A |

| GENERAL | |
|-------------------------------|--|
| (12) Comments/Recommendations | Not a Sediment Pond. Constructed in October 2006. |

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/07
(Date)



**SAVAGE SERVICES CORPORATION
2007 ANNUAL IMPOUNDMENT INSPECTION REPORT**

POND: Settling Pond #3 **LOCATION:** Savage Coal Terminal

| IMPOUNDMENTS | |
|---------------------------------|-----------------------------|
| (1) Stability | Slopes Stable. Incised Pond |
| (2) Structural Weakness/Erosion | None Noted. |
| (3) Potential Safety Hazards | None Noted. |
| (4) Depth of Impounded Water | Full- Flowing to #4. |
| (5) Existing Storage Capacity | N/A |
| (6) Monitoring Procedures | Quarterly Inspection. |

| SEDIMENT PONDS ONLY | |
|--|-----|
| (7) Sediment Accumulation (Elevation) | N/A |
| (8) Sediment Cleanout Level (Elevation) | N/A |
| (9) Principle Spillway (Elevation) | N/A |
| (10) Emergency Spillway (Elevation) | N/A |
| (11) Existing Sediment Capacity (To Cleanout) | N/A |

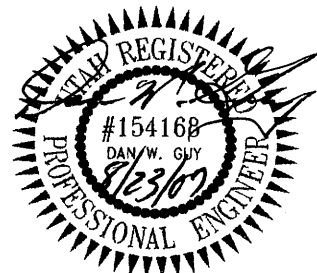
| GENERAL | |
|-------------------------------|--|
| (12) Comments/Recommendations | Not a Sediment Pond. Constructed in October 2006. |

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/07
(Date)



**SAVAGE SERVICES CORPORATION
2007 ANNUAL IMPOUNDMENT INSPECTION REPORT**

POND: Settling Pond #4 **LOCATION:** Savage Coal Terminal

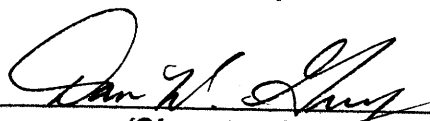
| IMPOUNDMENTS | |
|---------------------------------|-----------------------------|
| (1) Stability | Slopes Stable. Incised Pond |
| (2) Structural Weakness/Erosion | None Noted. |
| (3) Potential Safety Hazards | None Noted. |
| (4) Depth of Impounded Water | 2' Water. |
| (5) Existing Storage Capacity | N/A |
| (6) Monitoring Procedures | Quarterly Inspection. |

| SEDIMENT PONDS ONLY | |
|--|-----|
| (7) Sediment Accumulation (Elevation) | N/A |
| (8) Sediment Cleanout Level (Elevation) | N/A |
| (9) Principle Spillway (Elevation) | N/A |
| (10) Emergency Spillway (Elevation) | N/A |
| (11) Existing Sediment Capacity (To Cleanout) | N/A |

| GENERAL | |
|-------------------------------|--|
| (12) Comments/Recommendations | Not a Sediment Pond. Constructed in October 2006. |

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/07
(Date)



SAVAGE INDUSTRIES, INC.
2007 ANNUAL POND INSPECTION REPORT

POND: Sediment Pond 1 **LOCATION:** Savage Coal Terminal

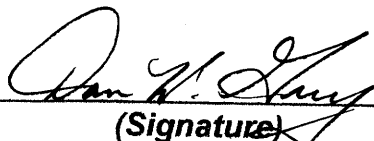
| IMPOUNDMENTS | |
|---------------------------------|-----------------------------|
| (1) Stability | Slopes Stable. Incised Pond |
| (2) Structural Weakness/Erosion | None Noted. |
| (3) Potential Safety Hazards | None Noted. |
| (4) Depth of Impounded Water | 8" Water. |
| (5) Existing Storage Capacity | 1.65 acre feet. |
| (6) Monitoring Procedures | Quarterly Inspection. |

| SEDIMENT PONDS ONLY | |
|--|-----------------|
| (7) Sediment Accumulation (Elevation) | 5484.50 |
| (8) Sediment Cleanout Level (Elevation) | 5487.20 |
| (9) Principle Spillway (Elevation) | 5491.80 |
| (10) Emergency Spillway (Elevation) | 5491.80 |
| (11) Existing Sediment Capacity (To Cleanout) | 0.45 acre feet. |

| GENERAL | |
|-------------------------------|--|
| (12) Comments/Recommendations | Pond Cleaned August 2007. No Discharge. |

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/07
(Date)



SAVAGE INDUSTRIES, INC.
2007 ANNUAL POND INSPECTION REPORT

POND: Sediment Pond 2 **LOCATION:** Savage Coal Terminal

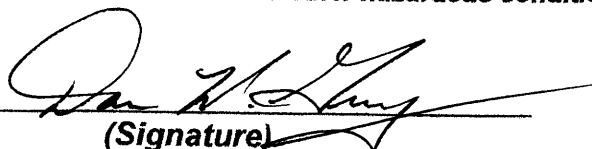
| IMPOUNDMENTS | |
|---------------------------------|-----------------------------|
| (1) Stability | Slopes Stable. Incised Pond |
| (2) Structural Weakness/Erosion | None Noted. |
| (3) Potential Safety Hazards | None Noted. |
| (4) Depth of Impounded Water | N/A - Dry. |
| (5) Existing Storage Capacity | 0.94 acre feet. |
| (6) Monitoring Procedures | Quarterly Inspection. |

| SEDIMENT PONDS ONLY | |
|--|-----------------|
| (7) Sediment Accumulation (Elevation) | 5484.50 |
| (8) Sediment Cleanout Level (Elevation) | 5485.50 |
| (9) Principle Spillway (Elevation) | 5492.30 |
| (10) Emergency Spillway (Elevation) | 5492.30 |
| (11) Existing Sediment Capacity (To Cleanout) | 0.14 acre feet. |

| GENERAL | |
|-------------------------------|---------------|
| (12) Comments/Recommendations | No Discharge. |

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/07
(Date)



SAVAGE INDUSTRIES, INC.
2007 ANNUAL POND INSPECTION REPORT

POND: Sediment Pond 3

LOCATION: Savage Coal Terminal

| IMPOUNDMENTS | |
|---------------------------------|-----------------------------|
| (1) Stability | Slopes Stable. Incised Pond |
| (2) Structural Weakness/Erosion | None Noted. |
| (3) Potential Safety Hazards | None Noted. |
| (4) Depth of Impounded Water | Damp. |
| (5) Existing Storage Capacity | 0.94 acre feet. |
| (6) Monitoring Procedures | Quarterly Inspection. |

| SEDIMENT PONDS ONLY | |
|--|-----------------|
| (7) Sediment Accumulation (Elevation) | 5483.80 |
| (8) Sediment Cleanout Level (Elevation) | 5484.80 |
| (9) Principle Spillway (Elevation) | 5491.40 |
| (10) Emergency Spillway (Elevation) | 5491.40 |
| (11) Existing Sediment Capacity (To Cleanout) | 0.12 acre feet. |

| GENERAL | |
|-------------------------------|---------------|
| (12) Comments/Recommendations | No Discharge. |

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/07
(Date)



SAVAGE INDUSTRIES, INC.
2007 ANNUAL POND INSPECTION REPORT

POND: Sediment Pond 5 **LOCATION:** Savage Coal Terminal

| IMPOUNDMENTS | |
|---------------------------------|-----------------------------|
| (1) Stability | Slopes Stable. Incised Pond |
| (2) Structural Weakness/Erosion | None Noted. |
| (3) Potential Safety Hazards | None Noted. |
| (4) Depth of Impounded Water | 8" Water. |
| (5) Existing Storage Capacity | 3.99 acre feet. |
| (6) Monitoring Procedures | Quarterly Inspection. |

| SEDIMENT PONDS ONLY | |
|--|-----------------|
| (7) Sediment Accumulation (Elevation) | 5473.70 |
| (8) Sediment Cleanout Level (Elevation) | 5475.20 |
| (9) Principle Spillway (Elevation) | 5482.00 |
| (10) Emergency Spillway (Elevation) | 5482.00 |
| (11) Existing Sediment Capacity (To Cleanout) | 0.48 acre feet. |

| GENERAL | |
|-------------------------------|---|
| (12) Comments/Recommendations | Pond Cleaned July/August 2006. No Discharge. |

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/07
(Date)



SAVAGE INDUSTRIES, INC.
2007 ANNUAL POND INSPECTION REPORT

POND: Sediment Pond 6

LOCATION: Savage Coal Terminal

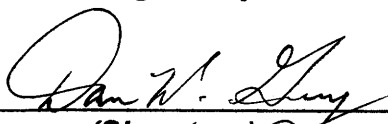
| IMPOUNDMENTS | |
|---------------------------------|--|
| (1) Stability | Slopes Stable. Incised Pond |
| (2) Structural Weakness/Erosion | None Noted. |
| (3) Potential Safety Hazards | None Noted. |
| (4) Depth of Impounded Water | 3.0' Water. |
| (5) Existing Storage Capacity | 1.22 acre feet. |
| (6) Monitoring Procedures | Quarterly Inspection. U.P.D.E.S. Discharge. |

| SEDIMENT PONDS ONLY | |
|--|-----------------|
| (7) Sediment Accumulation (Elevation) | 5473.50 |
| (8) Sediment Cleanout Level (Elevation) | 5474.70 |
| (9) Principle Spillway (Elevation) | 5480.30 |
| (10) Emergency Spillway (Elevation) | 5480.30 |
| (11) Existing Sediment Capacity (To Cleanout) | 0.24 acre feet. |

| GENERAL | |
|-------------------------------|--|
| (12) Comments/Recommendations | Pond Cleaned August 2007. No Discharge. |

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.


(Signature)

08/23/07
(Date)



APPENDIX B

Reporting of Technical Data

Including monitoring data, reports, maps, and other information
As required under the approved plan or as required by the Division

In accordance with the requirement of R645-310-130 and R645-301-140

CONTENTS

N/A

APPENDIX C

Legal Financial, Compliance and Related Information

Annual Report of Officers
As submitted to the Utah Department of Commerce

Other change in ownership and control information
As required under R645-301-110

CONTENTS

OFFICERS AND DIRECTORS

112.310. Officers and Directors of the Applicant.

The names and addresses of every officer, partner, director, or other person performing a function similar to a director of the applicant:

SAVAGE SERVICES CORPORATION (Shareholder: Savage Companies)

Corporation: Savage Services Corporation
Type of Entity: Utah Corporation
Date of Formation: June 22, 1959

Shareholder: Savage Companies
Date of Formation: October 2, 1970

Directors for Savage Services Corporation and Savage Companies:

Directors: Hire Date:

| | | |
|---------------------|---------------|----------|
| Allen B. Alexander | Chairman | 05/15/78 |
| Neal Savage | Vice Chairman | 06/22/59 |
| H. Benson Lewis | Director | 08/01/85 |
| James T. Jensen | Director | 07/01/90 |
| David G. Wolach | Director | 04/29/87 |
| Todd L. Savage | Director | 09/23/76 |
| John K. Savage | Director | 01/01/70 |
| Howard F. Goodman | Director | 05/01/94 |
| Donald W. Alexander | Director | 02/01/83 |
| Nathan N. Savage | Director | 06/02/86 |

Officers: Hire Date:

| | | |
|---------------------|----------------------------------|----------|
| Allen B. Alexander | President and CEO | 05/15/78 |
| H. Benson Lewis | Exec. VP and CFO | 08/01/85 |
| James T. Jensen | Exec. VP, General Counsel & Sec. | 07/01/90 |
| David G. Wolach | Exec. VP | 04/29/87 |
| Todd L. Savage | Exec. VP | 09/23/76 |
| Donald W. Alexander | Sr. Vice President | 02/01/83 |
| John K. Savage | Sr. Vice President | 01/01/70 |
| Kelly J. Flint | Sr. VP, Asst. Gen. Counsel, | 01/01/03 |
| Howard F. Goodman | Sr. Vice President | 05/01/94 |
| Curtis C. Dowd | Sr. Vice President | 08/30/04 |
| Nathan N. Savage | Sr. Vice President | 06/02/86 |
| Tad A. Koch | Vice President | 09/16/86 |
| David L. Harris | Vice President and Controller | 08/04/99 |
| C. Scott Smith | Vice President | 08/01/05 |

APPENDIX D

Mine Maps

As required under R645-302-525-270

CONTENTS

N/A

APPENDIX E

Other Information

In accordance with the requirements of R645-301 and R645-302

CONTENTS

N/A